

To the Members of the California State Senate:

I am returning Senate Bill 862 without my signature.

This bill would make a number of changes to state water reports and planning, mandate review of energy production under various water management strategies, and require review of urban and agricultural water management plans.

This bill would impose significant additional demands on the Department of Water Resources (Department) without also providing the necessary funding to carry out these responsibilities. Consequently, this bill's mandates could negatively affect the Department's ability to accomplish other core mission duties.

Additionally, this bill expands the current program requiring the filing of statements for surface water diversions and use. The State Water Resources Control Board has limited funding for water right administration and is not currently authorized to collect fees from those who file statements of diversion and use. As a result, the costs of administering these additional statements will be unfairly borne by existing water fee payers.

Sincerely,

Arnold Schwarzenegger